

Indiana House of Representatives

News and Information

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NEW BUDGET MUST HELP SCHOOLS, TAXPAYERS TO GAIN KERSEY SUPPORT

INDIANAPOLIS – State Rep. Clyde Kersey (D-Terre Haute) said today that a new biennial state budget must do more to improve funding for schools and reduce burdens on local property taxpayers in order to gain his support.

"From the start of this legislative session, I have said that my top priority in writing a new budget is making sure public education in Indiana is properly financed," Kersey said. "However, both budgets that have surfaced this session – one from the House Republicans and the other from Senate Republicans – pay little attention to the needs of schools throughout this state."

In addition to modest state funding increases that will be realized only by a few school corporations, Kersey said the budget fails to provide minimum funding guarantees that allow schools to meet ongoing expenses such as utilities and insurance costs, and avoid cutting programs and personnel.

"By failing to provide the necessary levels of state support, the Republicans will be asking local taxpayers to foot more of the bill in financing our schools, and that will mean increases in local property taxes," Kersey said.

This added burden comes at the same time that Republicans are seeking a freeze on Property Tax Replacement Credits, which will increase local property taxes by more than \$270 million.

"For at least the last 15 years, it has been a policy of the Indiana General Assembly to reduce the impact that the property tax has on financing local governments and schools," Kersey said. "That is one of the reasons why we passed legislation in 2002 that restructured Indiana's tax code.

"If the budget proposals being advanced by the Republicans are enacted, we will be reversing that trend and increasing the burdens the state will be placing on local property taxpayers," he continued. "It will force local school officials into the unpleasant prospect of either raising property taxes or reducing programs and laying off teachers. I would not be surprised if they have to explore all three options."

Such circumstances make it impossible for Kersey to vote for the budget in its current form.

"In these final days of the 2005 session, I hope the Republicans realize that the greatest resource we have in Indiana are our people, and we are not acting in their best interests when we cut school funding and raise their property taxes," Kersey concluded.

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This news release can be accessed on the Internet at www.IN.gov/H43